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5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** FINDINGS AND INTENT. The legislature finds  
8 that:

9 (1) The economic health and well-being of timber-dependent  
10 communities is of substantial public concern. The significant  
11 reduction in annual timber harvest levels likely will result in reduced  
12 economic activity and persistent unemployment and underemployment over  
13 time, which would be a serious threat to the safety, health, and  
14 welfare of residents of the timber-dependent communities, decreasing  
15 the value of private investments and jeopardizing the sources of public  
16 revenue.

17 (2) The state is experiencing a dual economy, where growth is  
18 occurring rapidly in some areas and is occurring slowly or not at all  
19 in other areas. This uneven growth rate across the state is causing  
20 some areas to suffer negative impacts from too much growth while other  
21 areas experience difficulty in creating adequate economic development.  
22 Inadequate economic development is a serious threat to the public  
23 safety, health, and welfare of a community. The state has an interest  
24 in encouraging growth state-wide, which reduces the negative impacts of  
25 growth in rapidly growing areas and assists areas of the state in need  
26 of economic development.

27 (3) Timber-dependent communities are most often located in areas  
28 that are experiencing little or no economic growth, creating an even

1 greater risk to the health, safety, and welfare of these communities.  
2 The ability to remedy problems caused by the substantial reduction in  
3 harvest activity is beyond the power and control of the regulatory  
4 process and influence of the state, and the ordinary operations of  
5 private enterprise without additional governmental assistance are  
6 insufficient to adequately remedy the resulting problems of poverty and  
7 unemployment.

8 (4) The revitalization and diversification of the economies of  
9 timber-dependent communities require the stimulation of private  
10 investment, the development of new business ventures, the provision of  
11 capital to ventures sponsored by local organizations and capable of  
12 growth in the business markets, and assistance to viable, but  
13 under-financed, small businesses in order to create and preserve jobs  
14 that are sustainable in the local economy. Therefore, the legislature  
15 declares there to be a substantial public purpose in providing capital  
16 to promote economic development and job creation in distressed areas in  
17 general and timber-dependent communities in particular. To accomplish  
18 this purpose, it is the intent of the legislature to:

19 (a) Increase the public financing of infrastructure necessary for  
20 economic development and make such financing more flexible;

21 (b) Increase and target the amount of public financing available to  
22 businesses to better create or preserve jobs through formation or  
23 expansion of viable enterprises;

24 (c) Provide technical and financial assistance to businesses to  
25 increase the export of products from timber-dependent communities;

26 (d) Increase the resources available to associated development  
27 organizations to provide economic and community development services in  
28 timber-dependent communities and to provide resource and referral  
29 services to the community regarding state and local economic and  
30 community development services;

1 (e) Increase training and retraining services accessible to timber-  
2 dependent communities; and

3 (f) Provide for coordination of noneconomic development services in  
4 timber-dependent communities as economic development efforts will not  
5 succeed unless social, housing, health, and other needs are addressed."

6 "Sec. 2. RCW 43.160.010 and 1989 c 431 s 61 are each amended to  
7 read as follows:

8 INFRASTRUCTURE FINANCING--CERB--INTENT. (1) The legislature finds  
9 that it is the public policy of the state of Washington to direct  
10 financial resources toward the fostering of economic development  
11 through the stimulation of investment and job opportunities and the  
12 retention of sustainable existing employment for the general welfare of  
13 the inhabitants of the state. Reducing unemployment and reducing the  
14 time citizens remain jobless is important for the economic welfare of  
15 the state. A valuable means of fostering economic development is the  
16 construction of public facilities which contribute to the stability and  
17 growth of the state's economic base. Strengthening the economic base  
18 through issuance of industrial development bonds, whether single or  
19 umbrella, further serves to reduce unemployment. Consolidating issues  
20 of industrial development bonds when feasible to reduce costs  
21 additionally advances the state's purpose to improve economic vitality.  
22 Expenditures made for these purposes as authorized in this chapter are  
23 declared to be in the public interest, and constitute a proper use of  
24 public funds. A community economic revitalization board is needed  
25 which shall aid the development of economic opportunities. The general  
26 objectives of the board should include:

27 (a) Strengthening the economies of areas of the state which have  
28 experienced or are expected to experience chronically high unemployment  
29 rates or below average growth in their economies;

1 (b) Encouraging the diversification of the economies of the state  
2 and regions within the state in order to provide greater seasonal and  
3 cyclical stability of income and employment;

4 (c) Encouraging wider access to financial resources for both large  
5 and small industrial development projects;

6 (d) Encouraging new economic development or expansions to maximize  
7 employment;

8 (e) Encouraging the retention of viable existing firms and  
9 employment; and

10 (f) Providing incentives for expansion of employment opportunities  
11 for groups of state residents that have been less successful relative  
12 to other groups in efforts to gain permanent employment.

13 (2) The legislature also finds that the state's economic  
14 development efforts can be enhanced by, in certain instances, providing  
15 funds to improve state highways in the vicinity of new industries  
16 considering locating in this state or existing industries that are  
17 considering significant expansion.

18 (a) The legislature finds it desirable to provide a process whereby  
19 the need for diverse public works improvements necessitated by planned  
20 economic development can be addressed in a timely fashion and with  
21 coordination among all responsible governmental entities.

22 (b) It is the intent of the legislature to create an economic  
23 development account within the motor vehicle fund from which  
24 expenditures can be made by the department of transportation for state  
25 highway improvements necessitated by planned economic development. All  
26 such improvements must first be approved by the state transportation  
27 commission and the community economic revitalization board in  
28 accordance with the procedures established by RCW 43.160.074 and  
29 47.01.280. It is further the intent of the legislature that such  
30 improvements not jeopardize any other planned highway construction

1 projects. The improvements are intended to be of limited size and  
2 cost, and to include such items as additional turn lanes,  
3 signalization, illumination, and safety improvements.

4 (3) The legislature also finds that the state's economic  
5 development efforts can be enhanced by providing funds to improve  
6 markets for those recyclable materials representing a large fraction of  
7 the waste stream. The legislature finds that public facilities which  
8 result in private construction of processing or remanufacturing  
9 facilities for recyclable materials are eligible for consideration from  
10 the board.

11 (4) The legislature finds that sharing economic growth state-wide  
12 is important to the welfare of the state. Distressed areas and timber-  
13 dependent communities do not share in the economic vitality of the  
14 Puget Sound region. Infrastructure is one of several ingredients that  
15 are critical for economic development. Distressed areas and timber-  
16 dependent communities generally lack the infrastructure necessary to  
17 diversify and revitalize their economies. It is, therefore, the intent  
18 of the legislature to increase the availability of funds to help  
19 provide infrastructure to distressed areas and timber-dependent  
20 communities."

21 "Sec. 3. RCW 43.160.020 and 1985 c 466 s 58 are each amended to  
22 read as follows:

23 Unless the context clearly requires otherwise, the definitions in  
24 this section apply throughout this chapter.

25 (1) "Board" means the community economic revitalization board.

26 (2) "Bond" means any bond, note, debenture, interim certificate, or  
27 other evidence of financial indebtedness issued by the board pursuant  
28 to this chapter.

1 (3) "Department" means the department of trade and economic  
2 development or its successor with respect to the powers granted by this  
3 chapter.

4 (4) "Financial institution" means any bank, savings and loan  
5 association, credit union, development credit corporation, insurance  
6 company, investment company, trust company, savings institution, or  
7 other financial institution approved by the board and maintaining an  
8 office in the state.

9 (5) "Industrial development facilities" means "industrial  
10 development facilities" as defined in RCW 39.84.020.

11 (6) "Industrial development revenue bonds" means tax-exempt revenue  
12 bonds used to fund industrial development facilities.

13 (7) "Local government" means any port district, county, city, or  
14 town.

15 (8) "Sponsor" means any of the following entities which customarily  
16 provide service or otherwise aid in industrial or other financing and  
17 are approved as a sponsor by the board: A bank, trust company, savings  
18 bank, investment bank, national banking association, savings and loan  
19 association, building and loan association, credit union, insurance  
20 company, or any other financial institution, governmental agency, or  
21 holding company of any entity specified in this subsection.

22 (9) "Umbrella bonds" means industrial development revenue bonds  
23 from which the proceeds are loaned, transferred, or otherwise made  
24 available to two or more users under this chapter.

25 (10) "User" means one or more persons acting as lessee, purchaser,  
26 mortgagor, or borrower under a financing document and receiving or  
27 applying to receive revenues from bonds issued under this chapter.

28 (11) Until July 1, 1995, "timber-dependent community" means a  
29 county, city, or town located in a county meeting two of the following  
30 three criteria for the most recent year such data is available: (a) A

1 lumber and wood products employment location quotient at or above the  
2 state average, (b) a direct lumber and wood products job loss of one  
3 hundred or more, or (c) an annual unemployment rate twenty percent or  
4 more above the state average.

5 (12) Until July 1, 1995, "small scale tourism project" means a  
6 project that where added to the current facilities in the area attracts  
7 additional visitors for overnight stays and will be used primarily by  
8 nonresidents of the immediate area. A small scale tourism project may  
9 be a new project or an expansion or refurbishment of an existing  
10 facility."

11 "NEW SECTION. Sec. 4. A new section is added to chapter 43.160  
12 RCW to read as follows:

13 (1) The economic development account is created within the public  
14 facilities construction loan revolving fund under RCW 43.160.080.  
15 Moneys in the account may be spent only after appropriation.  
16 Expenditures from the account may be used only for the purposes of RCW  
17 43.160.010(4) and this section. The account is subject to allotment  
18 procedures under chapter 43.88 RCW.

19 (2) Applications under this section for assistance from the  
20 economic development account are subject to all of the applicable  
21 criteria set forth under this chapter, as well as procedures and  
22 criteria established by the board, except as otherwise provided.

23 (3) Eligible applicants under this section are limited to political  
24 subdivisions of the state in timber-dependent communities that  
25 demonstrate, to the satisfaction of the board, the local economy's  
26 dependence on the forest products industry.

27 (4) Applicants must demonstrate that their request is part of an  
28 economic development plan consistent with applicable state planning  
29 requirements. Industrial projects must be approved by the local

1 government and the associate development organization. Applicants must  
2 demonstrate that small scale tourism projects have been approved by the  
3 local government and are part of a regional tourism plan approved by  
4 the local and regional tourism organizations.

5 (5) Publicly owned projects may be financed under this section upon  
6 proof by the applicant that the public project is a necessary component  
7 of, or constitutes in whole, a small scale tourism project.

8 (6) Applications must demonstrate local match and participation.  
9 The amount of local match shall not be less than twenty percent of the  
10 total dollar amount sought in the application. Such match may include:  
11 Land donation, other public or private funds or both, or other means of  
12 local commitment to the project.

13 (7) Board financing for feasibility studies shall not exceed  
14 twenty-five thousand dollars per study. Board funds for feasibility  
15 studies may be provided as a grant and require a dollar for dollar  
16 match with up to one-half in-kind match allowed.

17 (8) Board financing for small scale tourism projects shall not  
18 exceed two hundred fifty thousand dollars. Other public facility  
19 projects under this section shall not exceed five hundred thousand  
20 dollars. Loans with flexible terms and conditions to meet the needs of  
21 the applicants shall be provided. Grants may also be authorized, but  
22 only when, and to the extent that, a loan is not reasonably possible,  
23 given the limited resources of the political subdivision.

24 (9) The board shall develop guidelines for allowable local match  
25 and feasibility studies.

26 (10) Applications under this section need not demonstrate evidence  
27 that specific private development or expansion is ready to occur or  
28 will occur if funds are provided.

29 (11) The board shall establish guidelines for making grants and  
30 loans under this section. The guidelines shall include:



1 (a) A process to equitably compare and evaluate applications from  
2 competing communities;

3 (b) Criteria to ensure that approved projects will have a high  
4 probability of success and are likely to provide long-term economic  
5 benefits to the community. The criteria shall include: (i) A minimum  
6 amount of local participation, determined by the board per application,  
7 to verify community support for the project; (ii) an analysis that  
8 establishes the project is feasible using standard economic principles;  
9 and (iii) an explanation from the applicant regarding how the project  
10 is consistent with the communities' economic strategy and goals; and

11 (c) A method of evaluating the impact of the loans or grants on the  
12 economy of the community and whether the loans or grants achieved their  
13 purpose.

14 (12) This section shall expire July 1, 1995."

15 "NEW SECTION. **Sec. 5.** A new section is added to chapter 43.160  
16 RCW to read as follows:

17 (1) For the 1991-93 biennium, half of all funds appropriated to the  
18 department for purposes of this chapter shall be used for section 4 of  
19 this act.

20 (2) This section shall expire on July 1, 1993."

21 "**Sec. 6.** RCW 43.160.080 and 1987 c 422 s 6 are each amended to  
22 read as follows:

23 INFRASTRUCTURE--CERB--REVOLVING LOAN FUND REPAYMENTS. There shall  
24 be a fund known as the public facilities construction loan revolving  
25 fund, which shall consist of all moneys collected under this chapter,  
26 except moneys of the board collected in connection with the issuance of  
27 industrial development revenue bonds, and any moneys appropriated to it  
28 by law: PROVIDED, That seventy-five percent of all principal and

1 interest payments on loans made with the proceeds deposited in the fund  
2 under section 901, chapter 57, Laws of 1983 1st ex. sess. shall be  
3 deposited in the general fund as reimbursement for debt service  
4 payments on the bonds authorized in RCW 43.83.184. The state treasurer  
5 shall be custodian of the revolving fund. Disbursements from the  
6 revolving fund shall be on authorization of the board. In order to  
7 maintain an effective expenditure and revenue control, the public  
8 facilities construction loan revolving fund shall be subject in all  
9 respects to chapter 43.88 RCW(~~(, but no appropriation is required to~~  
10 ~~permit expenditures and payment of obligations from the fund)~~).

11 Moneys in this fund not needed to meet the current expenses and  
12 obligations of the board shall be invested in the manner authorized for  
13 moneys in revolving funds. Any interest earned shall be deposited in  
14 this fund and shall be used for the purposes specified in this chapter.  
15 The state treasurer shall render reports to the board advising of the  
16 status of any funds invested, the market value of the assets as of the  
17 date the statement is rendered, and the income received from the  
18 investments during the period covered by the report."

19 "NEW SECTION. **Sec. 7.** A new section is added to chapter 43.31 RCW  
20 to read as follows:

21 INCREASING EXPORTS FROM TIMBER-DEPENDENT COMMUNITIES. (1)  
22 Marketing is a vital element in expanding the economies of timber-  
23 dependent communities. The export of products produced in timber-  
24 dependent areas contributes substantial economic benefits to these  
25 communities, including an increase in jobs and an increase in tax  
26 revenues to the state and local governments.

27 (2)(a) Subject to funding for this subsection, the department shall  
28 contract with the small business export finance assistance center,  
29 created in chapter 43.210 RCW, to assist businesses in timber-dependent

1 communities obtain financing for the export of their products. The  
2 department shall assist the small business export finance assistance  
3 center to ensure the services available under this subsection are  
4 understood and accessible in timber-dependent communities.

5 (b) Subject to funding for the necessary reserve funds, the  
6 Washington economic development finance authority, created in chapter  
7 43.163 RCW, shall provide financing for export transactions where the  
8 product being exported is produced in timber-dependent communities.

9 (3) The department may make rules that are necessary to carry out  
10 this section and to coordinate the services described in this section  
11 and to prioritize the services based on greatest negative impact from  
12 the harvest reductions.

13 (4) For purposes of this section, the definition of "timber-  
14 dependent community" is the same as RCW 43.160.020."

15 "NEW SECTION. Sec. 8. A new section is added to chapter 43.31 RCW  
16 to read as follows:

17 (1) The Washington wood products competitiveness commission is  
18 created. The commission shall have nine members as follows:

19 (a) One representative each from the departments of trade and  
20 economic development, community development, natural resources, and the  
21 employment security department appointed by the directors or the  
22 commissioners of the respective departments;

23 (b) One representative of the office of financial management, who  
24 shall chair the commission, appointed by the governor;

25 (c) One representative of the Washington hardwoods commission  
26 appointed by the hardwoods commission;

27 (d) One member representing primary wood products manufacturers  
28 appointed by the director of the department; and

1 (e) Two members representing secondary wood products manufacturers  
2 appointed by the director of the department.

3 (2) Since the best hope for quickly replacing some of the jobs  
4 being lost in primary manufacturing may be in value-added and secondary  
5 manufacturing, the legislature intends that the commission design a  
6 set of programs to stimulate the growth of value-added and secondary  
7 wood products manufacturing in Washington and increase the involvement  
8 of the wood products industry in value-added products and business  
9 networks.

10 (3) The legislature also intends that after two years, the  
11 commission become industry supported and industry operated.

12 (4) Members not representing state government shall serve a term of  
13 three years, with the initial members serving staggered terms of one  
14 year, two years, and three years as determined by the director of the  
15 department.

16 (5) Travel expenses may be reimbursed under RCW 43.03.050 and  
17 43.03.060.

18 (6) Staff support for the commission shall be provided by the  
19 department."

20 "NEW SECTION. **Sec. 9.** A new section is added to chapter 43.31 RCW  
21 to read as follows:

22 The Washington wood products competitiveness commission shall:

23 (1) Gather, analyze, and disseminate information about the  
24 competitiveness of the wood products industry in this state and make  
25 that information available to the wood products industry, state  
26 government, and the general public.

27 (2) Encourage cooperation among wood products firms through the  
28 formation of business networks to develop solutions to technology and  
29 product development problems, acquire and disseminate marketing

1 information, promote and market wood products of this state, and  
2 address other common industry problems.

3 (3) Assist the department in the department's efforts to increase  
4 the competitiveness of the industry and increase the production of  
5 value-added products by contracting for feasibility studies and product  
6 research and development. The contracts under this subsection shall:

7 (a) Be of general benefit to the industry rather than intended to  
8 benefit a specific firm; and

9 (b) Be for such activities as identifying options, assessing  
10 markets, evaluating business and financial risks, addressing production  
11 issues, and assessing new technologies.

12 (4) Work with state agencies, wood products firms, wood products  
13 industry associations, and institutions of higher education in this  
14 state to assure close coordination of all efforts to improve the  
15 competitiveness of the wood products industry in this state.

16 (5) Report periodically to the governor, the legislature, the wood  
17 products industry, and the general public on the competitive position  
18 of the wood products industry in this state, and make such  
19 recommendations as the commission determines appropriate for public or  
20 private actions needed to improve the competitiveness of the wood  
21 products industry in this state. The commission shall recommend, by  
22 January 1, 1992, how to change this public commission into a commodity-  
23 style industry commission, and recommend a fair method of assessment  
24 for the industry to fund the commission."

25 "NEW SECTION. Sec. 10. A new section is added to chapter 43.31  
26 RCW to read as follows:

27 The Washington wood products competitiveness commission may:

28 (1) Engage, with private sector funds only, in informational and  
29 promotional activities to increase the awareness and recognition of the

1 value of wood products in this state and of the contribution of wood  
2 products to the economy of this state.

3 (2) Contract for research activities to develop and apply new  
4 technologies for wood products manufacture related to the commission's  
5 and the department's efforts to make value-added wood products  
6 industries more competitive. Any public funds used for this subsection  
7 shall be matched at least dollar for dollar by private funds. In  
8 carrying out research for development and application of new  
9 manufacture technologies, the commission may promote activities  
10 including, but not limited to:

11 (a) Improved utilization of wood wastes;

12 (b) Improved utilization of lower grade and underutilized lumber;

13 (c) Alternative uses for underutilized species of softwood and  
14 hardwood;

15 (d) New and improved utilization of select and clear grade lumber  
16 to produce high quality and high value-added wood products in  
17 Washington;

18 (e) Identifying unique properties and characteristics of wood  
19 species of this state and determining products particularly suited to  
20 those properties and characteristics; or

21 (f) Providing access to testing facilities and services for wood  
22 products firms in this state."

23 "NEW SECTION. **Sec. 11.** A new section is added to chapter 43.06  
24 RCW to read as follows:

25 COORDINATION OF STATE AND LOCAL SERVICES. (1) The governor, or the  
26 governor's designee, shall coordinate state noneconomic development  
27 related assistance provided to timber-dependent communities to ensure  
28 state services are delivered effectively and efficiently and  
29 coordinated locally with minimal duplication and maximum local access.

1 (2) Associate development organizations located in timber-dependent  
2 communities shall assist the governor in coordinating the delivery of  
3 state economic development related services locally. The associate  
4 development organization, as the primary local coordinating  
5 organization for state and local economic development services, shall  
6 provide resource and referral services to ensure state and local  
7 economic development services are delivered effectively and efficiently  
8 with minimal duplication and maximum local access."

9 "NEW SECTION. Sec. 12. Subject to an appropriation in the 1991  
10 omnibus appropriations act by June 30, 1991, for the purposes of this  
11 section, the department of trade and economic development shall  
12 contract with associate development organizations in timber-dependent  
13 communities to provide additional coordination and economic development  
14 services. For purposes of this subsection "timber-dependent community"  
15 means a distressed county, as defined in RCW 43.160.020, that meets at  
16 least one of the following two criteria for the most recent year such  
17 data is available: (1) A lumber and wood products employment location  
18 quotient at or above the state average or (2) a direct lumber and wood  
19 products job loss of one hundred or more. Associate development  
20 organizations shall provide representation on their board of directors  
21 of cities, counties, businesses, and community-based public service  
22 organizations."

23 "NEW SECTION. Sec. 13. A new section is added to chapter 28B.50  
24 RCW to read as follows:

25 Unless the context clearly requires otherwise, the definitions in  
26 this section apply throughout sections 14 through 18 of this act.

27 (1) "Board" means the state board for community college education.

1 (2) "Dislocated timber worker" means any individual who: (a) Has  
2 been terminated or received a notice of termination from employment in  
3 a timber-related industry assigned the major group standard industrial  
4 classification code "24" by the employment security department; and (b)  
5 at the time of last separation from employment, resided in or was  
6 employed in a timber-dependent community. For the purposes of this  
7 subsection, "standard industrial classification code" means the code  
8 identified in RCW 50.29.025(6)(c).

9 (3) "Timber-dependent community" means a county or a city or town  
10 located in a county meeting two of the following three criteria for the  
11 most recent year such data is available: (a) A lumber and wood  
12 products employment location quotient at or above the state average;  
13 (b) a direct lumber and wood products job loss of one hundred or more;  
14 or (c) an annual unemployment rate twenty percent or more above the  
15 state average."

16 NEW SECTION. **Sec. 14.** A new section is added to chapter 28B.50  
17 RCW to read as follows:

18 The state board for community college education shall administer a  
19 program designed to provide higher education opportunities to  
20 dislocated timber workers or their spouses. In administering the  
21 program, the board shall have the following powers and duties:

22 (1) Appoint an advisory committee to assist the board in program  
23 design and funding distribution;

24 (2) Allocate funding to community colleges attended by eligible  
25 dislocated timber workers;

26 (3) Monitor the program and report on students' progress and  
27 outcome; and

28 (4) Report to the legislature by December 1, 1993, on the status of  
29 the program."



1        "NEW SECTION.   **Sec. 15.**   A new section is added to chapter 28B.50  
2   RCW to read as follows:

3        In addition to the community college enrollment level funded by the  
4   omnibus appropriations act for the biennium ending June 30, 1993, the  
5   community college system is authorized to serve two hundred fifty full-  
6   time equivalent students in fiscal year 1992 and five hundred full-time  
7   equivalent students in fiscal year 1993.   Under this program, the  
8   community colleges shall waive the tuition, services, and activities  
9   fees for dislocated timber workers or their spouses, enrolled as one of  
10  the full-time equivalent students allocated under this section, who do  
11  not receive federal tuition assistance for retraining, provided the  
12  dislocated timber worker provides verification of the following  
13  conditions:

14        (1) The dislocated timber worker, during the five years before  
15  enrolling as a student, was employed in the timber industry on a full-  
16  time basis for at least six months each year; and

17        (2) The unemployment of the dislocated timber worker is due to  
18  reduction in work force and not misconduct of the timber worker.

19        The dislocated timber workers or their spouses are eligible to  
20  receive waivers for a total of six quarters within a two-year time  
21  period and must be enrolled for a minimum of ten credits per quarter.

22        Dislocated timber workers or their spouses shall receive priority  
23  for the full-time equivalent student allocations authorized under this  
24  section.   Funding for any full-time equivalent student enrollment  
25  allocations that are unused by June 30, 1993, shall lapse."

26        "NEW SECTION.   **Sec. 16.**   A new section is added to chapter 28B.80  
27  RCW to read as follows:

28        The higher education coordinating board shall administer a program  
29  designed to provide upper division higher education opportunities to

1 dislocated timber workers, their spouses, and others in  
2 timber-distressed counties. In administering the program, the board  
3 shall have the following powers and duties:

4 (1) Distribute funding for an institution of higher education to  
5 service Clallam county;

6 (2) Appoint an advisory committee to assist the board in program  
7 design and future project selection;

8 (3) Monitor the program and report on student progress and outcome;  
9 and

10 (4) Report to the legislature by December 1, 1993, on the status of  
11 the program."

12 "NEW SECTION. Sec. 17. A new section is added to chapter 28B.80  
13 RCW to read as follows:

14 In consultation with Peninsula College, the higher education  
15 coordinating board shall contract with an institution of higher  
16 education to provide upper division classes to serve fifty full-time  
17 equivalent students per year in Clallam county. The institution shall  
18 utilize telecommunication technology, if available, to carry out the  
19 purposes of this section. The institution providing the service shall  
20 waive the tuition, service, and activities fees for dislocated timber  
21 workers or their spouses enrolled as one of the full-time equivalent  
22 students allocated to the college under this section, provided the  
23 dislocated timber worker provides verification of the following  
24 conditions:

25 (1) The dislocated timber worker, during the five years before  
26 enrolling as a student, was employed in the timber industry on a full-  
27 time basis for at least six months of each year; and

28 (2) The unemployment of the dislocated timber worker is due to  
29 reduction in work force and not misconduct of the timber worker.

1       The dislocated timber worker or his or her spouse is eligible to  
2 receive waivers for a total of four semesters or six quarters within a  
3 two-year time period and must be enrolled for a minimum of ten credits  
4 per semester or quarter."

5       "NEW SECTION.   **Sec. 18.** A new section is added to chapter 28B.80  
6 RCW to read as follows:

7       Dislocated timber workers and their spouses shall receive priority  
8 for attendance in upper division courses allocated under section 17 of  
9 this act, offered in Clallam county. Remaining allocations may be  
10 distributed to others in the timber-dependent community."

11       "NEW SECTION.   **Sec. 19.** (1) The legislature finds and declares  
12 that:

13       (a) Families with children have been rendered homeless or are in  
14 imminent danger of becoming homeless as a result of a sudden job loss  
15 or other economic adversity;

16       (b) It is more economical and more socially desirable to enable  
17 people to retain possession of their houses or apartments and thereby  
18 avoid homelessness, than to house them in emergency shelters or in  
19 other facilities intended for short-term occupancy; and

20       (c) Economically distressed communities are faced with unique  
21 problems that require a comprehensive approach of housing and related  
22 support services.

23       (2) The legislature declares that a program designed to provide  
24 short-term financial assistance to assist with mortgage or rent  
25 payments and coordination of available support services is needed to  
26 keep people from becoming homeless."

1        "NEW SECTION. Sec. 20. A new section is added to chapter 43.63A  
2 RCW to read as follows:

3        (1) The department shall develop and administer a homelessness  
4 prevention program for the purpose of providing grants and technical  
5 assistance to eligible organizations to operate local homelessness  
6 prevention and related support service programs. For purposes of this  
7 section, "eligible organizations" are those organizations eligible to  
8 receive assistance through the Washington housing trust fund, chapter  
9 43.185 RCW.

10        (2) The department shall select at least five eligible  
11 organizations for purposes of implementing local homelessness  
12 prevention programs. The local homelessness prevention programs are  
13 designed to provide: (a) Interest-free loans of temporary mortgage or  
14 rental assistance on behalf of families with children in imminent  
15 danger of losing housing as a result of having insufficient income to  
16 pay mortgage or rental costs; (b) interest-free loans to make payments  
17 on machinery or equipment that is essential to the household's  
18 livelihood; or (c) technical assistance to eligible organizations to  
19 help recipient eligible organizations develop and implement local  
20 strategies to prevent homelessness. In selecting local programs under  
21 this section, the department shall give priority consideration to  
22 timber-dependent communities and shall consider:

23        (i) The eligible organization's ability, stability, and resources  
24 to implement the local homelessness prevention program;

25        (ii) The eligible organization's efforts to coordinate other  
26 support programs for the family, such as job search or job retraining  
27 programs;

28        (iii) The level of timber unemployment experienced by the  
29 jurisdiction; and

30        (iv) Other factors the department deems appropriate.

1 (3) The recipient eligible organization shall establish priorities  
2 of eligibility for temporary mortgage or rental assistance to assist  
3 families with children in retaining housing. The recipient eligible  
4 organization shall make a determination of eligibility regarding the  
5 family's eligibility to participate in the local homelessness  
6 prevention program. A determination shall include, but is not limited  
7 to:

8 (a) A determination that the family is subject to immediate  
9 eviction for foreclosure of nonpayment of mortgage installments or  
10 nonpayment of rent, when nonpayment is attributable to illness,  
11 unemployment, underemployment, or any other failure of resources beyond  
12 the person's control;

13 (b) A verification of the loss of income; and

14 (c) A determination that the family does not have the financial  
15 resources to make the required mortgage installment or rental payment,  
16 or installment payment on the equipment or machinery which is essential  
17 to the family's livelihood.

18 (4) No family shall continue to receive temporary mortgage or  
19 rental assistance under this section if alternative sources of mortgage  
20 or rental assistance under federal, state, or local sources becomes  
21 available."

22 "NEW SECTION. **Sec. 21.** A new section is added to chapter 43.63A  
23 RCW to read as follows:

24 The department shall adopt rules to implement section 20 of this  
25 act, including but not limited to:

26 (1) The maximum length of assistance available through section 20  
27 of this act;

28 (2) The eligibility of and application process for eligible  
29 organizations;

1 (3) The criteria by which grants and technical assistance shall be  
2 provided to eligible organizations; and

3 (4) The criteria eligible organizations shall use when entering  
4 into contracts with families to make mortgage or rental assistance  
5 payments, or equipment or machinery payments on their behalf."

6 "NEW SECTION. Sec. 22. (1) For the period beginning July 1, 1991,  
7 and ending June 30, 1993, in those areas designated by the department  
8 of community development as timber impact areas, the public works board  
9 may award low-interest or interest-free loans to local governments for  
10 construction of new public works facilities that stimulate economic  
11 growth or diversification.

12 (2) For the purposes of this act, "public facilities" means bridge,  
13 road and street, domestic water, sanitary sewer, and storm sewer  
14 systems.

15 (3) The loans may have a deferred payment of up to five years but  
16 shall be repaid within twenty years. The board may require other terms  
17 and conditions and may charge such rates of interest on its loans as it  
18 deems appropriate to carry out the purposes of this section. Repayments  
19 shall be made to the public works assistance account.

20 (4) The board may make such loans irrespective of the annual loan  
21 cycle and reporting required in RCW 43.155.070."

22 "NEW SECTION. Sec. 23. (1) As authorized by section 22 of this  
23 act, the board shall establish criteria for awarding loans to local  
24 governments including, but not limited to, the following:

25 (a) If a county or city, the local government must be imposing the  
26 tax authorized by chapter 82.46 RCW at a rate of at least one-quarter  
27 of one percent;

1 (b) The local government must have in place a capital improvement  
2 plan meeting standards established by the board and an economic  
3 development plan meeting standards established by the department;

4 (c) The local economy must have experienced or be about to  
5 experience employment losses due to the timber economy;

6 (d) The proposed project must provide an opportunity to create or  
7 retain jobs within the local economy. Priority may be given to those  
8 projects that provide an opportunity to retain or create jobs for the  
9 pool of local workers affected by the timber economy;

10 (e) The local government must provide reasonable assurances of its  
11 ability to repay the debt; and

12 (f) The local government must meet any additional guidelines and  
13 criteria established by the board for awarding loan funds.

14 (2) Existing debt or other financial obligations of the local  
15 government shall not be refinanced under this act.

16 (3) The board shall award loans only to those projects that meet  
17 the criteria and will fulfill the purpose of this act. Any funds not  
18 obligated at the close of the biennium shall be returned to the public  
19 works assistance account."

20 "NEW SECTION. **Sec. 24.** The public works board shall provide to  
21 the office of financial management and the legislative fiscal  
22 committees quarterly reports on loan applications under consideration  
23 and loans awarded by the board and a report by January 15, 1994, on the  
24 loans awarded through the biennium ending June 30, 1993. The board  
25 shall provide to the legislative fiscal committees a report on January  
26 15, 1995, and January 15, 1996, identifying by county the economic  
27 growth and/or economic diversification attributable to the loan awards  
28 authorized by this act."

1           "NEW SECTION. Sec. 25. (1) The legislature finds that an increase  
2 in unemployment due to the declining timber economy in the state is  
3 imminent.       The legislature further recognizes that employment  
4 opportunities in state and local government in other natural resource  
5 management professions exist and that dislocated workers in the timber-  
6 related professions represent a potential work force in the areas of  
7 fisheries, wildlife, and recreation.

8           (2) The legislature further recognizes that employment  
9 opportunities in other natural resource management professions exist  
10 and that natural resource enhancements in the areas of fisheries,  
11 wildlife, and recreation can bring needed income to distressed local  
12 economies in the state. It is the intent of the legislature that  
13 dislocated timber workers be given training in and opportunities to  
14 compete for employment in other resource management professions, and to  
15 establish a pilot program in Skagit county to accomplish this  
16 objective. The Skagit river represents a potential recreational  
17 fishery that, if enhanced, will bring much needed income to Skagit  
18 county. Enhancements to the fishery on the Skagit river are planned  
19 over the next several years, and workers will be needed to fill these  
20 positions. Displaced timber workers will be available to do this  
21 work."

22           "NEW SECTION. Sec. 26. Unless the context clearly requires  
23 otherwise, the definitions in this section apply throughout this  
24 chapter.

25           (1) "Dislocated timber worker" means any individual who: (a) Has  
26 been terminated or received a notice of termination from employment in  
27 a timber-related industry assigned the major group standard industrial  
28 classification code "24" by the employment security department; and (b)  
29 at the time of last separation from employment, resided in or was



1 employed in a timber-dependent community. For the purposes of this  
2 subsection, "standard industrial classification code" means the code  
3 identified in RCW 50.29.025(6)(c).

4 (2) "Department" means the employment security department.

5 (3) "Project" means the natural resource worker project.

6 (4) "College" means Skagit Valley Community College.

7 (5) "Local development agency" means the economic development  
8 association of Skagit county."

9 "NEW SECTION. **Sec. 27.** The department, subject to the  
10 availability of funding under section 28 of this act or an  
11 appropriation from the general fund, shall establish the natural  
12 resource worker project. The project shall terminate on July 1, 1996,  
13 and shall provide employment and training opportunities for dislocated  
14 timber workers in the areas of fisheries, wildlife, recreation, and  
15 other natural resource professions. The department of personnel shall  
16 approve the project. The goal of the project is to allow project  
17 employees to be, upon termination of their participation in the  
18 project, eligible for permanent employment with the departments of  
19 wildlife, fisheries, ecology, and natural resources, and the parks and  
20 recreation commission."

21 "NEW SECTION. **Sec. 28.** The department shall use federal funds  
22 that it receives for dislocated timber workers to contract with the  
23 departments of wildlife, fisheries, ecology, and natural resources, and  
24 the parks and recreation commission to hire project participants to  
25 conduct tasks in the areas of fisheries, wildlife, forestry, ecology,  
26 and recreation."

1        "NEW SECTION.   **Sec. 29.**   The project shall include the following  
2 elements:

3           (1) Recruitment of dislocated timber workers;

4           (2) Placement in the departments of wildlife, fisheries, ecology,  
5 and natural resources, and the parks and recreation commission;

6           (3) On-the-job training in entry-level natural resource management  
7 skills;

8           (4) Comparable salaries and benefits to entry-level positions  
9 already existing in the departments of wildlife, fisheries, ecology,  
10 and natural resources, and the parks and recreation commission."

11        "NEW SECTION.   **Sec. 30.**   The department, along with the departments  
12 of personnel, wildlife, fisheries, ecology, and natural resources, and  
13 the parks and recreation commission shall report annually to the  
14 legislature on November 1 of each year beginning November 1, 1992, and  
15 until November 1, 1995.

16        The report shall include, at a minimum, the following elements:

17           (1) The number of project employees;

18           (2) The number and description of positions filled, by agency;

19           (3) Training received;

20           (4) Duration of employment; and

21           (5) Placement in permanent positions."

22        "NEW SECTION.   **Sec. 31.**   A pilot project shall be established,  
23 coordinated jointly by the department and the college, in Skagit  
24 county. The pilot project created in this section is subject to the  
25 department and the college acquiring funds for the pilot project from  
26 federal, state, or private sources. The project shall be of five years  
27 duration."

1        "NEW SECTION.   Sec. 32.   The college shall develop a training  
2 program designed for dislocated timber workers and their spouses, and  
3 in doing so, shall:

4        (1) Consult with, at a minimum, the departments of natural  
5 resources, ecology, wildlife, and fisheries, the parks and recreation  
6 commission, and other state, federal, local, and private employers in  
7 Skagit county to determine minimum employment qualifications in the  
8 areas of natural resource management and enhancement of the Skagit  
9 river; and

10       (2) Develop a program that will provide needed educational skills  
11 to dislocated timber workers and their spouses."

12       "NEW SECTION.   Sec. 33.   The department shall contract with the  
13 local development agency to coordinate with the college and the  
14 departments of wildlife, ecology, natural resources, and fisheries, the  
15 parks and recreation commission, and other state, federal, local, and  
16 private employers in assisting dislocated timber workers and their  
17 spouses in securing education and employment in the natural resource  
18 professions.    The local development agency shall also provide  
19 information on the training program established under section 32 of  
20 this act."

21       "NEW SECTION.   Sec. 34.   The department and the college shall  
22 jointly report to the legislature on their progress by November 1 of  
23 each year, beginning in 1991 and ending November 1, 1996.  This report  
24 shall include a college program description, numbers of students,  
25 numbers of referrals for existing positions by the local development  
26 agency, and numbers of positions filled by dislocated timber workers."

1        "NEW SECTION.   **Sec. 35.**  Sections 25 through 34 of this act shall  
2  constitute a new chapter in Title 50 RCW."

3        "NEW SECTION.   **Sec. 36.**  (1) Sections 13 through 18 of this act  
4  shall expire July 1, 1995.

5        (2) Sections 22 and 23 of this act shall expire on June 30, 1993.

6        (3) Sections 25 through 30 of this act shall expire August 1, 1996.

7        (4) Sections 31 through 34 of this act shall expire January 1,  
8  1997."

9        "NEW SECTION.   **Sec. 37.**  If by June 30, 1991, the omnibus operating  
10 budget appropriations act for the 1991-93 biennium does not provide  
11 specific funding for any of sections 13 through 19 of this act,  
12 referencing those sections by bill number and section number, any  
13 section not referenced is null and void."

14       "NEW SECTION.   **Sec. 38.**  The legislature finds that the family  
15 support centers currently operating in Washington state are effectively  
16 providing support to families.  The legislature further finds that  
17 these centers are positively responding to needs identified by the  
18 families and communities served by the center and are therefore  
19 empowering those families and communities.  It is the intent of the  
20 legislature to give timber-dependent communities the means to support  
21 and empower their families, particularly those families experiencing  
22 stress related to job loss, through the establishment of family support  
23 centers in those communities."

24       "NEW SECTION.   **Sec. 39.**  A new section is added to chapter 43.121  
25 RCW to read as follows:

1       The council shall contract for the operation of community-based  
2 family support centers. The council shall identify areas of need for  
3 such centers in timber-dependent communities and give priority to  
4 establishing centers in these locations. The council shall also give  
5 priority to applications from communities with high timber unemployment  
6 rates.

7       (1) Applicants for grants to operate a family support center shall  
8 be part of a community interagency team made up of private nonprofit or  
9 public agencies currently providing one or more of the services  
10 described in subsection (4) of this section. A lead agency shall be  
11 designated by the team as the grantee. Agencies participating in the  
12 team shall execute written interagency agreements regarding referrals  
13 and coordination of services.

14       (2) Family support centers shall be operated at a location in the  
15 community that is accessible to families.

16       (3) In awarding grants for the operation of family support centers  
17 and timber-dependent communities, preference shall be given to  
18 applications that are submitted by a county timber task force or that  
19 provide for locating the family support center at or near a job  
20 retraining center.

21       (4) Family support centers shall provide, at a minimum, parent  
22 support services. In addition, centers shall provide other services  
23 identified by the community to support families. Such services may  
24 include, but are not limited to, parenting education, child development  
25 assessments, health and nutrition education, counseling, and  
26 information and referral services. Such services may be provided  
27 directly by the center or through referral to other agencies  
28 participating in the interagency team. Child care services shall be  
29 available at the center for children while their parents are using the  
30 center.

1 (5) Twenty-five percent of the funding for a family support center  
2 shall be community matching funds provided by public or private  
3 entities in the community that will be served by the center.  
4 Contributions of materials, supplies, or physical facilities may be  
5 considered as all or part of the funding provided by the community."

6 "NEW SECTION. **Sec. 40.** A new section is added to chapter 50.22  
7 RCW to read as follows:

8 (1) An additional benefit period is established for counties  
9 identified under subsection (2) of this section beginning on the first  
10 Sunday after the effective date of this section and for the lumber and  
11 wood products industry beginning with the third week after the first  
12 Sunday after the effective date of this section. Benefits shall be  
13 paid as provided in subsection (3) of this section to exhaustees  
14 eligible under subsection (4) of this section.

15 (2) The additional benefit period applies to counties beginning  
16 with the third week after a week in which the commissioner determines  
17 that a county has: (a) A county annual unemployment rate that is twenty  
18 percent or more above the state annual unemployment rate for the prior  
19 calendar year; and (b) a lumber and wood products employment location  
20 quotient that is at least twice the state average during the prior  
21 twelve-month period. The additional benefit period for a county may  
22 end no sooner than fifty-two weeks after the additional benefit period  
23 begins.

24 (3) Additional benefits shall be paid as follows:

25 (a) No new claims for additional benefits shall be accepted  
26 for weeks beginning after July 3, 1993, but for claims established on or  
27 before July 3, 1993, weeks of unemployment occurring after July 3,  
28 1993, shall be compensated as provided in this section.

1 (b) The total additional benefit amount shall be fifty-two times  
2 the individual's weekly benefit amount, reduced by the total amount of  
3 regular benefits and extended benefits paid, or deemed paid, with  
4 respect to the benefit year. Additional benefits shall not be payable  
5 for weeks more than one year beyond the end of the benefit year of the  
6 regular claim, and shall be payable for up to five weeks following the  
7 completion of the training required by this section.

8 (c) The weekly benefit amount shall be calculated as specified in  
9 RCW 50.22.040.

10 (d) Benefits paid under this section shall be paid under the same  
11 terms and conditions as regular benefits and shall not be charged to  
12 the experience rating account of individual employers. The additional  
13 benefit period shall be suspended with the start of an extended benefit  
14 period, or any totally federally funded benefit program, with  
15 eligibility criteria and benefits comparable to the program established  
16 by this section, and shall resume the first week following the end of  
17 the federal program.

18 (4) An additional benefit eligibility period is established for  
19 any exhaustee who:

20 (a) At the time of last separation from employment, resided in or  
21 was employed in a county identified under subsection (2) of this  
22 section, or, during his or her base year, earned wages in six hundred  
23 eighty hours of lumber and wood products employment; and

24 (b) Has received notice of a permanent termination of employment  
25 from the individual's employer or has been laid off and is unlikely to  
26 return to his or her previous employment because work opportunities at  
27 the individual's most recent workplace or in the individual's most  
28 recent occupation have been substantially reduced; and

29 (c)(i) Is notified by the department of the requirements of this  
30 section and develops an individual training program that is submitted

1 to the commissioner for approval not later than sixty days after the  
2 individual is notified of the requirements of this section, and enters  
3 the approved training program not later than ninety days after the date  
4 of the individual's termination or layoff, or ninety days after the  
5 effective date of this section, whichever is later, unless the  
6 department determines that the training is not available during the  
7 ninety-day period, in which case the individual shall enter training as  
8 soon as it is available; or

9 (ii) Is enrolled in training approved under this section on a full-  
10 time basis and maintains satisfactory progress in the training; and

11 (d) Does not receive a training allowance or stipend under the  
12 provisions of any federal or state law.

13 (e) For the purposes of this section:

14 (i) "Training program" means:

15 (A) A remedial education program determined to be necessary after  
16 counseling at the educational institution in which the individual  
17 enrolls pursuant to his or her approved training program; or

18 (B) A vocational training program at an educational institution  
19 that:

20 (I) Is training for a labor demand occupation;

21 (II) Is likely to facilitate a substantial enhancement of the  
22 individual's marketable skills and earning power; and

23 (III) Does not include on-the-job training or other training under  
24 which the individual is paid by an employer for work performed by the  
25 individual during the time that the individual receives additional  
26 benefits under section 1 of this act.

27 (ii) "Educational institution" means an institution of higher  
28 education as defined in RCW 28B.10.016 or an educational institution as  
29 defined in RCW 28C.04.410(3).



1 (iii) "Training allowance or stipend" means discretionary use,  
2 cash-in-hand payments available to the individual to be used as the  
3 individual sees fit, but does not mean direct or indirect compensation  
4 for training costs, such as tuition or books and supplies.

5 (5) The commissioner shall adopt rules as necessary to implement  
6 this section."

7 "NEW SECTION. **Sec. 41.** TITLE. This act may be referred to as  
8 "the omnibus timber community assistance act."

9 "NEW SECTION. **Sec. 42.** SECTION HEADINGS ARE NOT LAW. Section  
10 headings as used in this act do not constitute any part of the law."

11 "NEW SECTION. **Sec. 43.** If any provision of this act or its  
12 application to any person or circumstance is held invalid, the  
13 remainder of the act or the application of the provision to other  
14 persons or circumstances is not affected."

15 "NEW SECTION. **Sec. 44.** If any part of this act is found to be in  
16 conflict with federal requirements that are a prescribed condition to  
17 the allocation of federal funds to the state or the eligibility of  
18 employers in this state for federal unemployment tax credits, the  
19 conflicting part of this act is hereby declared to be inoperative  
20 solely to the extent of the conflict, and such finding or determination  
21 shall not affect the operation of the remainder of this act. The rules  
22 under this act shall meet federal requirements that are a necessary  
23 condition to the receipt of federal funds by the state or the granting  
24 of federal unemployment tax credits to employers in this state."

1        "NEW SECTION.   **Sec. 45.**       Sections 1 through 12, 22, 23, 25  
2 through 34, and 40 of this act are necessary for the immediate  
3 preservation of the public peace, health, or safety, or support of the  
4 state government and its existing public institutions, and shall take  
5 effect immediately, except for sections 22, 23, 25 through 34, and 40  
6 of this act which shall take effect July 1, 1991."

7    **ESSB 5555** - H COMM AMD  
8        By Committee on Trade & Economic Development

9  
10       On page 1, line 2 of the title, after "state;" strike the remainder  
11 of the title and insert "amending RCW 43.160.010, 43.160.020, and  
12 43.160.080; adding new sections to chapter 43.160 RCW; adding new  
13 sections to chapter 43.31 RCW; adding a new section to chapter 43.06  
14 RCW; adding new sections to chapter 28B.50 RCW; adding new sections to  
15 chapter 28B.80 RCW; adding new sections to chapter 43.63A RCW; adding  
16 a new section to chapter 43.121 RCW; adding a new section to chapter  
17 50.22 RCW; adding a new chapter to Title 50 RCW; creating new sections;  
18 providing an effective date; providing expiration dates; and declaring  
19 an emergency."